

INSTRUCTIONS

For Preparation of the

2003-2005 BIENNIAL BUDGET REQUEST



BOARDS AND COMMISSIONS

*DEPARTMENT OF FINANCE & ADMINISTRATION
OFFICE OF BUDGET*

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ALL FORMS ARE AVAILABLE ON THE DFA - OFFICE OF BUDGET WEB SITE
www.accessarkansas.org/dfa/budget

MEMORANDUM

TO: All State Agency Directors

FROM: Governor Mike Huckabee

DATE: May 24, 2002

SUBJECT: Executive Policy Statement for Preparation of the 2003-2005
Biennial Budget Request

Each agency has developed its annual fiscal program for the 2003 fiscal year. We must now prepare the budget requests for the 2003-2005 biennium.

The April 18, 2002 forecast revision for the current fiscal year placed spending at \$3,220.7 million, or 98.72% of the "A" allocation in the Revenue Stabilization Law. The current forecast of net general revenue for the 2003 fiscal year is \$3,317.5 million, or 96.06% of the "A" allocation. While that represents a 3 percent increase over this year, the current fiscal year estimate is (1.2%) below FY01. That's negative growth over a previous fiscal year for the first time since 1968. Early predictions for the next biennium reflect growth at 3 percent or less. Additionally, while the state may see additional federal funds in certain areas, others may see reductions as the federal government deals with the aftermath of September 11.

As budget plans are developed for the next biennium, pending litigation involving education and human services could have a profound negative impact on the state budget. Funding issues involving college scholarships, the state's Medicaid program and the growing numbers of offenders entering our correctional facilities will require additional resources. Continued uncertainty in the economy and the war on terrorism will be cause for prudence as you prepare your budget for the 2003-2005 biennium. These issues will severely limit funds for new programs. As in the past, I plan to provide for a payplan increase in the biennial base level. I strongly encourage you to prepare a budget that reallocates existing resources or efficiently addresses the agency mission within the base level.

Please keep the following in mind as you prepare your budget requests:

Pay close attention to requests for information technology and the resources needed to address them. I have asked the Department of Information Systems to continue working with you as we develop and implement the state's technology plan. I need your cooperation in this endeavor as I continue moving the state towards the benefits of e.government.

Identify programs in your agencies that are good candidates for elimination. Ask yourself, "If I knew all the state taxes I pay were going straight into this program's budget, would I feel like I was getting my money's worth?" A program can be eliminated if its services are no longer needed, if it is funded at such a low level that it isn't effective, or if there are other programs that already meet the need. Seek better ways of addressing needs particularly where you can work with other state agencies to more efficiently administer a program.

Finance new initiatives or mandates through internal reallocation of resources. Request additional funds or positions only in the most extreme cases of need. We must use what we have more efficiently, not ask for more money. Taxpayers are burdened enough.

- Provision of a COLA increase of 2.7 percent each year will be included in the Base Level request for each agency. For those of you with non-classified positions (Grade 99 and/or Grade 66), the same increase will be applicable. I may, however, make subsequent executive recommendations on Grade 99 and 66 positions as well as other enhancements of the pay plan for each year of the biennium. This continues my commitment to protect state employees from inflation. I ask that you make no reclassification or upgrade requests in your 2003-2005 biennial request unless absolutely necessary to maintain your agency's mission. The Career Ladder Incentive Program (CLIP) will continue providing the means of rewarding employees for excellent work.
- Those agencies with programs funded from the Education Excellence Trust Fund and the Workforce 2000 Development Fund should be aware that I will continue to endorse the integrity of these funds in the budget presented to the Legislature in the fall. Growth in these funds should fall in the range mentioned above. Requests should be made accordingly.

- Those agencies participating in the initial phase of performance budgeting will receive more detailed instructions from the DFA – Office of Budget as to the forms and procedures for preparing your biennial request. I want to emphasize my continued support of the Performance Budgeting and Accountability System envisioned in Act 221 of 2001. All agencies should prepare the 2003-2005 biennial budget with an eye towards full implementation of Act 221 for the next biennium.
- Estimates of available construction funding for the next biennium are extremely low. The current interest rate environment will continue to weaken the available funds for capital projects. Several significant mandatory debt obligations must continue to be funded from the General Improvement Fund, leaving the remainder in no way sufficient to meet the many needs. Our priorities should be maintaining and repairing what we have rather than embarking on new construction.

It is critically important that we present well-reasoned and supportable budget requests to the General Assembly this Fall. I hope each of you will be meticulous and timely in submitting your budget requests. Developing the state budget is an extremely complex undertaking. The deadlines must be met so that we can organize and pursue support of our overall program during the 84th General Assembly.

MH:fms:lh

BUDGET SCHEDULE

2003-05 BIENNIUM

May 13, 2002	FY03 Annual Operations Plan submitted to the Office of Budget.
May 24, 2002	Biennial Budget Instructions delivered to Agencies
June 3, 2002	Initial Biennial Budget Reports delivered to Agencies
July 8, 2002	Submission of all Changes to Base Level due to the Office of Budget
July 8, 2002	Agency History/Organization Narrative and Special Language due to the Office of Budget
July 15, 2002	Biennial Budget Request finalized and submitted to the DFA – Office of Budget including the required Narratives, Certification of Income Form, Cash Fund Balance Description Form, State Agency Publications Form, and if applicable, Fee Schedule Change Form to the Office of Budget.

GENERAL INFORMATION

There are two basic components of an agency's Biennial Budget Request:

1. A Base Level request projected from the FY03 Annual Operations Plan, and
2. A change to Base Level which allows any additions, deletions or changes from the Base Level.

The information collected in this process will be provided to the Legislature during budget hearings beginning in the Fall. Executive Recommendations will also be presented at that time.

FY03 ANNUAL OPERATIONS PLAN – The FY03 Budget submitted in May of 2002, provides the Base for the 2003-2005 Biennial Budget Request.

BASE LEVEL REQUEST - The Base Level Request reflects the continuation of existing programs without any enhancements. All Commitment Items except Capital Outlay will be carried forward into FY04 and FY05 at the FY03 budgeted amount. Capital items must be requested on an item-by-item basis, as they are considered one time purchases and would not constitute an ongoing expense to the agency. Lease purchases budgeted as Capital Outlay **will** be carried forward as Base Level.

CHANGE LEVEL REQUEST – Change Level requests can be submitted for **any** addition, deletion or change from the Base Level Request.

Agencies are required to submit explanations and justifications for all Change Level Requests (i.e. program identification, positions requested or removed, increases or decreases in non-salary items, etc.).

INFORMATION TECHNOLOGY - Each agency has worked to assist the DFA - Office of Budget and the Office of Information Technology (OIT) in addressing the Governor's information technology initiative. In continuing this work, agencies are asked to budget their information technology needs consistent with the required IT Plans prepared for OIT. Biennial budget requests for technology should be consistent with the requirements of OIT to identify Core IT investments and new technology investments. **New technology requests are to be budgeted in Change Level 08.**

For additional information on preparing the IT plan for the 2003-05 biennium, please refer to the separate instructions issued by the Office of Information Technology.

NARRATIVE FORMS INSTRUCTIONS

All agencies are required to prepare and submit **TWO** narrative documents to support the 2003-2005 Biennial Budget Request. These are the ***Agency History & Organization Narrative*** and the ***Agency Program Commentary*** due to the DFA - Office of Budget on July 8.

The Office of Budget requests that care be taken in the use of the various forms to retain existing formatting such as font, font style, font size, other settings and attributes. The forms are intended for the Agency to just enter relevant data in the appropriate areas.

AGENCY HISTORY & ORGANIZATION NARRATIVE

An Agency History and Organization narrative is to be submitted to the DFA -Office of Budget for presentation in the biennial budget manuals on the form provided and should include the following information:

- ⇒ Agency history to include enabling legislation and mission statement
- ⇒ Brief discussion of statutory responsibility and primary activities the agency performs
- ⇒ Indication of any oversight and/or advisory Board or Commission affiliated with the agency.
- ⇒ Organizational Chart (submitted on a separate 8 ½" X 11" sheet)

AGENCY PROGRAM COMMENTARY

All agencies must submit the Agency Program Commentary on the form provided. The Program Commentary should summarize and explain the major parts of an agency's 2003-2005 Biennial Budget Request. The explanation should clearly and concisely identify changes to programs as requested by appropriation and funding source. This document provides decision makers the primary source of narrative information regarding an agency's justification and explanation of the Biennial Budget Request.

EXAMPLE

***ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
AGENCY HISTORY AND ORGANIZATION***

The mission of the Arkansas State Library is to provide the resources, services, and leadership needed to meet the educational, informational, and cultural needs of the citizens of Arkansas, and to provide guidance and support for the development of local public libraries and library services. The agency administers state and federal funds allocated for libraries and library development, including State Aid to Public Libraries funds and federal grants and program funds.

The goals of the State Library are to 1) develop access to libraries and information resources; 2) provide library and information resources and services to state government, as well as to other citizens statewide; 3) promote the development, use and support of public libraries and information resources; 4) foster the recruitment, training, and education of library personnel; and 5) provide effective administration and leadership needed to improve public libraries and library services.

Act 139 of 1935 created the Arkansas Library Commission which guided public library development in Arkansas until 1979. Act 489 of 1979 abolished the former Commission and established the Arkansas State Library with expanded duties and responsibilities. Act 489 of 1979 transferred to the Arkansas State Library and the State Library Board all powers, functions, and duties of the former Arkansas Library Commission. The State Library was created as a division of the Department of Education, with the status of a Type One Agency with its own board. The library is directed by a State Librarian appointed by the State Library Board.

Act 489 of 1979 provides that within the limitations of funds, facilities, and resources, the Arkansas State Library shall 1) acquire books and other library materials for reference and research use; 2) establish and maintain a collection of books and library materials pertaining to Arkansas, its people, resources, and history; 3) assist communities, institutions, agencies, and groups with library services as needed; 4) direct the development of public library systems, devise and implement a certification plan for public librarians, and assist in the design and building of public library facilities; 5) hold library institutes training, etc., and encourage the recruitment and training of library personnel; 6) cooperate with the Department of Education and the Department of Higher Education in the development of school and academic libraries; 7) receive gifts of library materials, money and property for purposes of the Act; 8) serve as the official state library agency to administer state and federal programs of aid to libraries and undertake other activities and services that will further statewide library systems to provide efficient, effective library service for all Arkansans; 9) cooperate with the officers and agencies of state government to assure maximum utilization of library services and programs; 10) operate and maintain a collection of multi-media materials to complement book collections; 11) provide specialized services to the physically handicapped, including the blind and the institutionalized; 12) act as a regional depository for federal documents and service as the official depository and Clearinghouse for state and local documents.

EXAMPLE**ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
AGENCY PROGRAM COMMENTARY
2003 - 2005**

The Rank Number One change level request for the state Library is \$50,622 in Operating Expenses to enable the agency to meet a 5% increase for cost of space, utilities, janitorial, and security services announced by State Building Services. The Rank Number Two change level request is for \$14,000 in Operating Expenses in each year to pay the maintenance costs of the newly installed integrated library system. The Rank Number Three change level request is for \$67,914 in FY 2004 and \$52,914 in FY2005 for the purchase of Books and Information Materials. The Rank Number Four change level request is for \$80,000 to convert Braille shelving to moveable compact shelving in the Blind and Physically Handicapped section. The Rank Number Five change level request is in the amount of \$26,500 in Capital Outlay in each year of the biennium to purchase storage cases and CD ROM cabinets for a growing library. The Rank Number Six change level request seeks \$5,000 in each year in Operating Expenses to support activities associated with the State Library becoming the Arkansas Center for the Book. The Rank Number Seven change level request asks for \$84,000 in FY 2004 for Operating Expenses to fund information technology projects, and \$7,100 in Capital Outlay for data processing equipment. In FY 2005, a total of \$90,000 is requested in Operating Expenses for technology projects. In FY 2005, an additional \$5,000 is also requested in Capital Outlay to purchase additional data processing equipment. A more detailed explanation of this change level request includes the following:

- 1) Operating Expenses in the amount of \$55,000 in FY 2004 and \$60,000 in FY 2005 are requested to establish a database of digitized Arkansas state documents. State agencies are required to furnish the State Library one official depository copy of each agency publication, including agency rules and regulations. Because the current collection of 179,000 items is valuable to the history of Arkansas state government, the State Library must begin to preserve portions of this information. To implement a digital preservation program, the State Library will select materials of major research value and contract with an automation vendor to scan the text and images into a digital format and convert the digital text into a character-based format that will allow for indexing and searching. The database will be loaded on the agency's Web server and information will be available state and worldwide.
- 2) The agency requests \$24,000 in FY 2004 and \$25,000 in FY 2005 in Operating Expenses to contract for the quarterly production of a CD ROM index to the agency's document collection. Copies of the CD ROM index will be distributed to the 27 Arkansas depository libraries. Act 489 of 1979 requires the Arkansas State Library to establish and provide access to the official Arkansas State Documents Collection and to create and maintain a State Publications Clearinghouse. The State Library's centralized collection currently contains over 179,000 publications and increases at an average rate of 9,085 items annually.

AGENCY	DIRECTOR	AGENCY PROGRAM COMMENTARY	PAGE
DEPARTMENT OF EDUCATION ARKANSAS STATE LIBRARY	Jack C. Mulkey State Librarian		

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EMPLOYMENT SUMMARY INSTRUCTIONS

A.C.A. 19-4-307 requires each state agency to submit the following information for the pre-session budget hearings conducted by the Legislative Council and Joint Budget Committee:

- (1) The total number of persons currently employed;
- (2) The number of white male employees;
- (3) The number of white female employees;
- (4) The total number of Caucasian employees;
- (5) The number of black male employees;
- (6) The number of black female employees;
- (7) The number of other employees who are members of racial minorities; and
- (8) The total number of minorities currently employed.

Initial reports will be produced by the Department of Finance and Administration – Office of Personnel Management and distributed to agencies on August 12, 2002. If errors are found, the agency will make corrections to the AASIS Human Resources module and request that the report be rerun. The report with the Director's signature is due to the Department of Finance and Administration – Office of Personnel Management on September 3, 2002.

ARKANSAS BUDGET SYSTEM
EMPLOYMENT SUMMARY
AS REQUIRED BY ACT 358 OF 1993
(A.C.A 19-4-307)

AGENCY TITLE 203 - STATE BOARD OF ACCOUNTANCY

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>1</u>	<u>5</u>	<u>6</u>	<u>100%</u>
BLACK EMPLOYEES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
EMPLOYEES OF OTHER RACIAL MINORITIES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
TOTAL EMPLOYED AS OF 08/05/00			<u>0</u>	<u>0%</u>
DATE			TOTAL MINORITIES	
			<u>6</u>	<u>100%</u>
			TOTAL EMPLOYEES	


AGENCY DIRECTOR

CASH FUND BALANCE DESCRIPTION FORM INSTRUCTIONS

A Cash Fund Balance Description form is required in the budget manuals presented to the Committee for every state agency in order to give an accurate account of fund balance amounts, holding locations, statutory restrictions and provisions, necessity and planned expenditures of fund balances for cash funds not held in the State Treasury. The accompanying form has been designed to accommodate this information. The form has been designed to hold two separate fund accounts. Use only half the form if you have one appropriated cash fund account, or use multiple forms if you have more than two appropriated cash fund accounts. The following instructions give general guidelines for the completion of this form for every **appropriated** cash fund account **not held in the State Treasury**.

NOTE: Agencies are strongly encouraged to take advantage of Arkansas Code Annotated §19-3-518(d). These provisions provide for interest bearing funds that were previously held as cash funds in financial institutions other than the State Treasury to be accounted for in the Arkansas Administrative Statewide Information System (AASIS) and earned interest credited to the account. Contact your Budget Analyst for further information.

AGENCY NAME:

Insert the name of the state agency, followed by the numeric agency code in parentheses.

CASH ACCOUNT BALANCES:

Insert the cash balance on hand at the end of FY02, as related to each type of financial instrument (e.g., the amount in the agency's checking account and/or savings account(s), and the amount held in each certificate of deposit, money market account, etc.).

TYPE:

Insert the type of financial instrument in which the funds are held, such as CHECKING, SAVINGS, CD, MONEY MARKET, etc.

DESCRIPTION:

Insert the name and location of the financial institution in which the instruments are held.

STATUTORY / OTHER RESTRICTIONS ON USE:

List all relevant Code or regulations that would restrict the use of these funds.

STATUTORY PROVISIONS FOR FEES, FINES & PENALTIES:

List all relevant Code citations or regulations that authorize the setting of the agency's fees, fines, and/or penalties collected and deposited into the fund account. Indicate for each fee, fine, and/or penalty if the amount is set by Code or if a board/commission has authority to set the fee, fine and/or penalty. Further, indicate if a maximum amount has been established that may be collected.

BILLING CYCLE EXPLANATION (REVENUE RECEIPTS CYCLE):

Indicate the time frame in which fees, fines and/or penalties are collected by the agency and deposited into the financial institution. Also, explain the investment practices of the agency (i.e., what determines when certificates of deposits or other types of investments are purchased).

EXPLANATION OF FUND BALANCES:

Explain the agency's plans for the utilization of the existing fund balance or the reason that the retention of the fund balance is necessary. Indicate any requirements/procedures for the fund balance to be turned over to a general revenue fund account or any other State Treasury-held fund account.

CASH FUND BALANCE DESCRIPTION

AS OF JUNE 30, 2002

AGENCY: Department of Education - Arkansas State Library (519)

ACCOUNT INFORMATION				STATUTORY/OTHER RESTRICTIONS ON USE:
FUND ACCT.	BALANCE	TYPE	LOCATION	A.C.A. 13-2-207 establishes that the agency can use funds collected to reimburse expenses and otherwise carry on the functions of the agency.
Library Cash (111)	\$ 23,546.78	Checking	Regions Bank, L.R.	STATUTORY PROVISIONS FOR FEES, FINES, PENALTIES: A.C.A. 13-2-207 authorizes the agency to collect fees, fines and penalties.
	\$ 10,000.00	C.D.	Mercantile Bank, N.L.R.	
				REVENUE RECEIPTS CYCLE: Fees, fines and penalties are collected throughout the year.
				FUND BALANCE UTILIZATION: Funds are collected on an irregular basis throughout the year. Since collections cannot be accurately projected, these funds are not used for on-going expenses but rather for one-time expenses such as capital purchases.
ACCOUNT INFORMATION				STATUTORY/OTHER RESTRICTIONS ON USE:
FUND ACCT.	BALANCE	TYPE	LOCATION	
				STATUTORY PROVISIONS FOR FEES, FINES, PENALTIES:
				REVENUE RECEIPTS CYCLE:
				FUND BALANCE UTILIZATION:

FOR ILLUSTRATION ONLY

EXECUTIVE CHIEF INFORMATION OFFICER (ECIO) INSTRUCTIONS FOR INFORMATION TECHNOLOGY PLANNING

Arkansas Code Annotated §25-33-103 created the position of Executive Chief Information Officer (ECIO) and authorized the ECIO to develop policies and procedures for state agency technology planning. The legislation also created the CIO Council and tasked the Council to create a methodology to evaluate the applications for funding of information technology projects based on the return on investment of the project and to establish standards for good business case analysis prior to allocation of funds.

Under the direction of the ECIO and with the advice of the CIO Council, the Office of Information Technology (OIT) has adopted a portfolio management approach to meet the legislative mandate to include business case development, return on investment, and project justification in technology plans. This portfolio management approach will form the basis for agency information technology plans for the 2003-05 biennium.

The portfolio-based approach to IT planning, management, and oversight is intended both to support the agency's decision making about technology investments and to support sound stewardship of the state's scarce technology resources. During the 2003-05 biennium, agencies will classify their investments into two categories. The first category is Core IT investments including technology-related assets, projects, and activities required to sustain business. The second category is new technology investments that are targeted to grow, transform, or enhance business. All new technology investments require a business justification.

The information from the business justification for each new investment will be evaluated to determine the level of oversight the project may require. Those projects requiring oversight will be reported to the Joint Budget Committee in the agency Budget Manual to assist in making decisions on agency Change Level requests for technology. The new form, Agency Information Technology Projects Recommended for Oversight, will be used for this purpose. **This form is prepared by the Office of Information Technology and is included in the Budget Manuals for only those projects which OIT has determined are in need of oversight.**

AGENCY INFORMATION TECHNOLOGY PROJECTS RECOMMENDED FOR OVERSIGHT

STATE AGENCY Arkansas State Library

AGENCY NUMBER: 519

AGENCY HEARING DATE: November 12, 2002

<u>PROJECT NAME</u>	<u>TIMEFRAME</u>	<u>FY04 COST/SOURCE OF FUNDS</u>	<u>FY05 COST/SOURCE OF FUNDS</u>
1. Online Reference System	8/03-1/06	\$190,000 Federal Revenue	\$250,000 Federal Revenue

REASONS FOR OVERSIGHT

- A. Unproven technology selected.
- B. Highly visible to public.
- C. Significant change to business processes.
- D. Multi-agency involvement.

<u>PROJECT NAME</u>	<u>TIMEFRAME</u>	<u>FY04 COST/SOURCE OF FUNDS</u>	<u>FY05 COST/SOURCE OF FUNDS</u>
2.			

REASONS FOR OVERSIGHT

- A.
- B.
- C.
- D.

Office of Information Technology Comments: Note that the project extends beyond the 2003-05 biennium. Additional costs for FY06 are estimated at \$50,000.

FOR ILLUSTRATION ONLY

STATE AGENCY PUBLICATIONS FORM INSTRUCTIONS

Arkansas Code Annotated §25-1-204 requires a reduction in the number of unsolicited publications prepared, published and distributed by state agencies. Each agency (excluding Institutions of Higher Education) must submit with the annual budget request, a list of state publications which are required by statutory law and provide the reason(s) for continuation and distribution of the required reports. The accompanying form has been designed to accommodate this requirement. This list should include items prepared by the agency and disseminated to the public. The following are instructions for completing the form. Some agencies may have submitted this form with the FY03 Annual Operations Plan.

AGENCY NAME:

Enter the name of the agency and the numeric agency code

NAME OF PUBLICATION:

List the title of the publication

STATUTORY AUTHORIZATION:

List the Act Number or the Arkansas Code citation which requires the publication.

PUBLICATION REQUIRED FOR GOVERNOR AND/OR GENERAL ASSEMBLY ONLY:

Insert an "X" if only the Governor and/or the General Assembly are required to receive the publication.

NUMBER OF COPIES PUBLISHED:

Insert the number of publications distributed during FY02.

REASON(S) FOR CONTINUED PUBLICATION AND DISTRIBUTION:

Justify the reasons for the continued publication or distribution.

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM

STATE AGENCY PUBLICATIONS

Fiscal Year 2002-2003
Required by: A.C.A. 25-1-204

AGENCY: Department of Education - Arkansas State Library

NAME OF PUBLICATION	STATUTORY AUTHORIZATION	PUBLICATION REQUIRED FOR GOVERNOR AND/OR GENERAL ASSEMBLY ONLY	NUMBER OF COPIES PUBLISHED	REASON(S) FOR CONTINUED PUBLICATION AND DISTRIBUTION
Annual report	ACA 25-1-105	X	25	Each state board or commission shall file an annual mission statement with the Governor and the Legislative Council. Each state board or commission shall file an annual statement summarizing the board or commission's activity during the previous year.

FOR ILLUSTRATION ONLY

REQUEST FOR CHANGE IN FEE SCHEDULE INSTRUCTIONS

If the budget request for the 2003-2005 Biennium requires a change to an agency's fee structure, a request must be submitted for consideration. Requests should only be made for those fees and charges established by law. **NOTE: The Executive Recommendation does not reflect a recommendation for fee increases. Agencies are responsible for securing legislative sponsorship for introduction of legislation required to increase fees.**

Agencies should complete the Request for Change in Fee Schedule Form. An example is included here, and the form is available on the DFA - Office of Budget web site or from the Office of Budget. Further, if the requested fee increase will result in additional appropriation or position needs, a budget must be prepared both with the fee increase and without the fee increase. Contact your Budget Analyst for further details.

Instructions for completing the form are as follows:

CURRENT FEE STRUCTURE

Description	Describe the fee collected.
Fee Amount	List the amount of each individual fee collected (e.g., cost of a license).
Estimated Receipts in FY03	Insert the total estimated collections from all fees.
Authorizing Act or Code Cite	Record the Act or Arkansas Code of 1987Annotated citation which authorizes the collection of the fee.

PROPOSED CHANGES

Fee Amount	Insert the new proposed amount to be collected for each license or fee.
Estimated Receipts	Record the amount of expected receipts for each fiscal year of the 2003-05 biennium under the new fee structure.
Reason for Change	Explain and justify the request for the rate adjustment.

***ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
REQUEST FOR CHANGE IN FEE SCHEDULE
2003-2005 BIENNIUM***

AGENCY NAME Arkansas State Library

AGENCY CODE 519

CURRENT FEE STRUCTURE

PROPOSED CHANGE

DESCRIPTION	FEE	EST. RECEIPTS	AUTHORIZING	FEE	EST. RECEIPTS		REASON FOR CHANGE
	AMOUNT	2002-03	ACT/ CODE CITE		2003-04	2004-05	
Overdue book charge	\$1.00/day	\$12,000.00	13-2-207	\$1.10/day	\$13,200.00	\$13,200.00	To provide for increased costs for tracking overdue books, and to encourage timely book return.

FOR ILLUSTRATION ONLY

SPECIAL LANGUAGE INSTRUCTIONS

Special Language that provides special authorization or limitations to an agency's fiscal and/or program operations is often found within an agency's appropriation act. A copy of current Special Language found in the 2001 appropriation acts is included with these instructions. Please review the language and indicate in the middle column what action should be taken regarding continuation, deletion, or changing this language for inclusion in the 2003 appropriation acts. A blank form is available on the DFA - Office of Budget web site or from the Office of Budget for any new language that may be contemplated to complete an agency's fiscal needs for the 2003-2005 biennium.

All requests for Special Language must be submitted in the same "mark-up" style used by the General Assembly in its session bills. Any change in current language, including a date change must be in the mark-up style. An example of mark-up style is attached. Guidelines adopted are as follows:

1. If no change is desired, insert "CONTINUE CURRENT LANGUAGE" in the Agency Request Column.
2. If the language is to be discontinued, insert "DELETE CURRENT LANGUAGE" in the Agency Request Column.
3. If the language has been codified, insert "LANGUAGE IS CODIFIED IN A.C.A. - -----(include actual code cite)" in the Agency Request Column.
4. If the language has been codified, but a CHANGE is requested, insert "THIS LANGUAGE IS CODIFIED IN A.C.A. -----(include actual code cite); HOWEVER, THE FOLLOWING CHANGE IS REQUESTED:(include the new language requested)" in the Agency Request Column with the NEW LANGUAGE BEING UNDERSCORED. Text to be ~~DELETED MUST BE IN STRIKOUT~~ format.
5. If the language has been codified and the request is to delete the language insert "CODIFIED IN A.C.A. (include actual code cite) – DELETE.

All Special Language requests are due to the Office of Budget by July 8, 2002.

REQUEST FOR SPECIAL LANGUAGE IN APPROPRIATION ACT

DOE - State Library
AGENCY NAME

519
AGENCY CODE

89
ACT NUMBER

**Current
Special Language**

NOT TO BE INCORPORATED INTO ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. **CARRY FORWARD.** At the close of the fiscal year ending June 30, 2002, any unexpended balance of appropriation and monies provided from the State Library Fund Account for Books and Subscriptions, as provided in Section 3 of this Act, shall be transferred forward and made available for the same purpose for the fiscal year ending June 30, 2003.

**Agency Requests
For Special Language**

NOT TO BE INCORPORATED INTO ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. **CARRY FORWARD.** At the close of the fiscal year ending June 30, ~~2002~~ 2004, any unexpended balance of appropriation and monies provided from the State Library Fund Account for Books and Subscriptions, as provided in Section 3 __ of this Act, shall be transferred forward and made available for the same purpose for the fiscal year ending June 30, ~~2003~~ 2005.

FOR ILLUSTRATION ONLY

**Executive
Recommendation**

AGENCY REQUEST APPROVED

CERTIFICATION OF INCOME INSTRUCTIONS

For every appropriation requested for the 2003-2005 Biennium, funding should be anticipated at a level which will cover the Total Biennial Budget Request. Use the following instructions for completing the enclosed form to be returned with the Biennial Budget Request:

Agency	Enter your 4-digit Agency (Business Area) code and title
Appropriation	Enter your 3-digit Appropriation (Funds Center) code and title
Fund	Enter the three digit fund code which begins the fund family and the fund name from the 2001 Appropriation Act or a descriptive fund title.
Fund Balance	<p>FY03 reflects the projected beginning fund balance submitted during preparation of the fiscal year's Annual Operations Plan. This figure will be adjusted after July 1st to reflect the actual beginning fund balance for FY03.</p> <p>FY04 and FY05 Fund Balances will be calculated at a later date, based on the actual FY03 beginning fund balance.</p>
Receipts	<p>FY03 reflects the estimated receipts projected by the agency during the preparation of the fiscal year Annual Operations Plan.</p> <p>FY04 and FY05 should be completed for projected receipts collected during each of these fiscal years.</p>

Agencies requesting a fee increase must submit Two Certification of Income Forms: one reflecting receipts based on current fees and one reflecting receipts based on the new requested fees.

The Total Requested for Base Level and all Change Levels must be supported by anticipated funding.

CERTIFICATION OF INCOME FOR DEVELOPMENT OF THE 2003-2005 BIENNIAL BUDGET

AGENCY NAME	Arkansas State Library	AGENCY #	0519
APPROPRIATION NAME	State Operations	APPRO. CODE	054

<u>Funding Category</u>	<u>Fund Title or Description</u>	<u>FY03 Amount</u>	<u>FY04 Amount</u>	<u>FY05 Amount</u>
Fund Balance				
General Revenue	EPA - State Library Account	3,021,374	3,066,429	3,113,440
Federal Revenue				
Special Revenue				
Revolving Funds				
Cash Funds				
Other	FOR ILLUSTRATION ONLY			
Other				
Other				
Other				
Other				
TOTAL ESTIMATED FUNDING		<u><u>\$ 3,021,374</u></u>	<u><u>\$ 3,066,429</u></u>	<u><u>\$ 3,113,440</u></u>

AGENCY DIRECTOR	DATE
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